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ALBERTA GOVERNMENT TELEPHONES

ANNUAL REPORT

April 1st, 1950

to

March 31st, 1951

Edmonton, Alberta.

Edmonton, Alberta,

October 15, 1951.

To His Honour,

J.J. Bowlen,

Lieutenant Governor of the Province of Alberta,

Edmonton, Alberta.

Sir:-

I have the honour to transmit the Thirty-ninth Annual Report of the Department of Telephones for the year ending March 31st, 1951.

I have the honour to be, Sir,

Your obedient servant,

Gordon E. Taylor,

Minister of Railways and Telephones.

Edmonton, October 15, 1951.

Honourable Gordon E. Taylor,
Minister of Railways & Telephones,
Province of Alberta,
EDMONTON, Alberta.

Sir:

Herewith is submitted the thirty-ninth Annual Report of the Alberta Government Telephones covering the fiscal year ended March 31st, 1951.

Again we have to report a year of intense activity in contending with an ever increasing demand for a service which is essential to the business and social life of the Province. As the report indicates substantial sums of money have been expended in our attempts to meet the unprecedented demands for telephone service but, notwithstanding this effort and the progress made, there is still a substantial back-log of waiting applicants for local service and our long distance toll facilities are, in many cases, taxed beyond their capacity.

Edmonton, October 16, 1951.

Honourable Gordon E. Taylor,
Minister of Railways & Telephones,
Province of Alberta,
EDMONTON, Alberta.

Sir:

Herewith is submitted the thirty-ninth Annual Report of the Alberta Government Telephones covering the fiscal year ended March 31st, 1951.

Again we have to report a year of intense activity in contending with an ever increasing demand for a service which is essential to the business and social life of the Province. As the report indicates substantial sums of money have been expended in our attempts to meet the unprecedented demands for telephone service but, notwithstanding this effort and the progress made, there is still a substantial back-log of waiting applicants for local service and our long distance toll facilities are, in many cases, taxed beyond their capacity.

We are still subject to long delays in obtaining new materials and equipment and the existing international situation, resulting in restrictions in the supply of many materials essential to the operation of the telephone industry, is aggravating the situation to no small degree.

Staff turnover, particularly in the long distance operating department, constitutes a major problem in providing a satisfactory long distance service. This is illustrated by the fact that at December 31st, 1950, out of 561 operators, 302 had less than one year of service.

The following is a more detailed report on the year's operations:-

Toll Service

The number of toll calls completed 6,258,353, again constitutes a new record and represents an increase of 655,807 over the preceding year, a gain of 11.7%.

Net toll revenue amounted to $4,478,244.29, an increase of $699,509.32 over the previous year, or 18.5%. Comparative figures of calls completed and net toll revenue for the last ten years follow and show conclusively the tremendous and steady increase in this class of business:-

We are still subject to long delays in obtaining new materials and equipment and the existing international situation, resulting in restrictions in the supply of many materials essential to the operation of the telephone industry, is aggravating the situation to no small degree.

Staff turnover, particularly in the long distance operating department, constitutes a major problem in providing a satisfactory long distance service. This is illustrated by the fact that at December 31st, 1950, out of 551 operators, 302 had less than one year of service.

The following is a more detailed report on the year's operations:-

Toll Service

The number of toll calls completed 6,258,555, again constitutes a new record and represents an increase of 655,807 over the preceding year, a gain of 11.7%.

Net toll revenue amounted to $4,478,344.52, an increase of $528,502.32 over the previous year, or 13.5%. Comparative figures of calls completed and net toll revenue for the last ten years follow and show conclusively the tremendous and steady increase in this class of business:-

Toll Calls Completed

Fiscal Year	Calls Completed	Increase over Previous Year	Percent Increase
1941-42	2,336,472	155,934	7.1%
1942-43	2,552,331	215,859	9.2%
1943-44	2,849,992	297,661	11.7%
1944-45	3,225,869	375,877	13.2%
1945-46	3,632,300	406,431	12.6%
1946-47	4,136,723	504,423	13.9%
1947-48	4,474,542	337,819	8.1%
1948-49	5,092,794	618,252	13.8%
1949-50	5,602,546	509,752	10.0%
1950-51	6,258,353	655,807	11.7%

Net Toll Revenue

Fiscal Year	Net Toll Revenue	Increase over Previous Year	Percent Increase
1941-42	$ 1,188,186.00	$ 115,658.00	10.8%
1942-43	1,406,627.00	218,441.00	18.3%
1943-44	1,702,618.00	295,991.00	21.0%
1944-45	1,888,159.00	185,541.00	10.9%
1945-46	2,111,710.00	223,551.00	11.8%
1946-47	2,419,845.00	308,135.00	14.6%
1947-48	2,769,538.00	349,693.00	14.5%
1948-49	3,255,772.00	485,234.00	17.5%
1949-50	3,778,735.00	522,963.00	16.1%
1950-51	4,478,244.00	699,509.00	18.5%

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There is every indication that the 1950-51 net toll revenue will be substantially exceeded during the current fiscal year.

Exchange Service

At the end of the fiscal year we recorded a net gain of 9,025 Alberta Government Telephones stations. Connections numbered 23,239 and disconnections 14,214, resulting in the net increase mentioned.

Rural Mutual Companies showed a net gain of 858 over last year.

The total number of telephones in service in the Province, as at March 31st, 1951, follows:-

Alberta Government Telephones stations	-	78,741
Mutual Company stations	-	24,144
Banff and Edmonton (private systems)	-	40,287
Other private systems	-	650
Total stations	-	143,822

We reported that at March 31st, 1950, there were 10,129 applicants waiting for exchange service and although 9,025 of these were served during the year under review, waiting applicants at March 31st, 1951 numbered 11,724.

The following table shows the telephone development in the Province during the last decade:-

Fiscal Year ended	A.G.T. Stations	Mutual Co. Stations	Private Systems	Total Stations
Mar. 31-1942	38,664	17,474	21,861	77,999
" " 1943	40,557	17,981	23,350	81,888
" " 1944	42,880	18,814	24,503	86,197
" " 1945	44,247	19,327	24,713	88,287
" " 1946	46,594	19,765	25,866	92,225
" " 1947	49,365	20,633	26,703	96,701
" " 1948	55,506	21,382	28,274	105,162
" " 1949	60,739	22,456	30,284	113,479
" " 1950	69,716	23,286	35,328	128,330
" " 1951	78,741	24,144	40,937	143,822

Exchange Service Revenues for the year amounted to $3,065,790.95, an increase of $384,827.65 or 14.4% over the preceding year, reflecting the large number of new subscribers added to the system.

The following table illustrates the steady increase in Exchange Service Revenue during the last ten years:-

Fiscal Year ended	Exchange Service Revenue	Increase over Previous Year
Mar. 31-1942	$ 1,488,800.44	$ 87,766.38
" " 1943	1,581,123.51	92,323.07
" " 1944	1,669,782.56	88,659.05
" " 1945	1,744,378.45	74,595.89
" " 1946	1,816,931.09	72,552.64
" " 1947	1,942.520.26	125,589.17
" " 1948	2,139,020.79	196,500.53
" " 1949	2,386,129.62	247,108.83
" " 1950	2,680,963.30	294,833.68
" " 1951	3,065,790.95	384,827.65

During the year nine exchanges were completely rebuilt, fifteen partially rebuilt and dial service was established at Bellevue, Blairmore, Coleman and Two Hills.

Financial

Gross operating revenues for the fiscal year amounted to $8,117,563.33, establishing a new record high. The figure represents an increase of $1,139,775.55 over the preceding year or 16.3%. The revenue was derived from the following sources:-

Exchange Service	-	$ 3,065,790.95
Toll Service (Net)	-	4,478,244.29
Connecting Company Service	-	165,833.78
Miscellaneous Operating Revenue	-	407,694.31
Gross Operating Revenue	-	$ 8,117,563.33

In addition to the above, there was a non-operating revenue of $8,882.84.

Total Operating Expenses (Operation and Maintenance combined) amounted to $3,258,812.10, which represents an increase of $440,633.37 or 15.6% over last year's figures. Operation shows an increase of $352,810.29 (15.9%) and Maintenance an increase of $87,823.08 (14.7%).

Included in total Operating Expense is the net cost of operating Radio Station CKUA which amounted to $58,198.97 for the year, which is a decrease of $5,113.25 from 1949-50. Total expenditures by the Alberta Government Telephones since taking over its operation in April 1944

now amount to $360,634.00, of which $32,601.00 is Capital and $328,033.00 is Operation.

The net surplus after allowing $960,000.00 for Depreciation and transferring $327,600.62 to the Capital Repayments Reserve (representing repayments of principal on the long term debt) amounted to $2,758,806.86, an increase of $505,113.73 over last year. The surplus was appropriated and expended on Plant expansion.

At March 31st, 1951, the value of Plant in service was $29,586,373.12, an increase of $3,935,765.59 over March 31st, 1951. The increase is accounted for as follows:-

Land and Buildings	- $ 358,688.63
Equipment	- 2,127,023.04
Exchange Lines	- 768,214.63
Toll Lines	- 681,839.29
Total increase	- $3,935,765.59

Gross additions to Plant during the year amounted to $5,075,867.33 while Plant retired from service was $1,140,102.24 resulting in the net additions of $3,935,765.59.

The following table will be of interest:-

Year ended	Plant in Service	Operating Revenue	Operation and Maintenance Expense
Mar.31-1947	$ 17,017,874.72	$ 4,781,961.43	$ 1,653,202.12
" " 1948	18,799,569.95	5,318,175.51	1,975,191.35
" " 1949	21,467,009.68	6,092,547.83	2,329,975.62
" " 1950	25,650,607.53	6,984,055.29	2,818,178.73
" " 1951	29,586,373.12	8,117,563.33	3,258,812.10

Provision for Depreciation, Debt Charges, etc., are not included in the Operation and Maintenance figures above.

Depreciation and Renewal Reserve

This reserve now amounts to $6,692,802.44 which represents approximately 23% of the Plant in Service. Charges against the Reserve during the year totalled $606,737.94 and the amount of the Depreciation Reserve now invested in Plant is $5,671,838.84.

The Depreciation and Renewal Reserve Fund as at March 31st, 1951, amounted to $1,020,963.60 represented by:-

Investments (par value)	-	$ 920,000.00
Cash in Bank & Accrued Interest	-	100,963.60

Telephone Debt

During the year $2,000,000.00 was borrowed from the Provincial Treasurer to help finance the large expansion necessary in our Plant in order to furnish service to as many as possible of our waiting applicants and to relieve in some measure the congestion on our toll lines. In spite of this additional amount borrowed, the increase in our total debt was $1,373,884.05 as, during the year, $626,115.95 was repaid on the original debt.

Since the refunding program in 1945, the total payments on principal and interest amount to $6,905,089.00 as shown in the following table:-

Original Amount of Debt	Repayments of Principal	Interest Payments	Total Payments	Debt Mar.31-1951
$18,000,000.00	$1,611,975.00	$3,288,618.00	$4,900,593.00	$16,388,025.00
3,000,000.00	1,520,763.00	449,048.00	1,969,811.00	1,479,237.00
2,000,000.00	-	34,685.00	34,685.00	2,000,000.00
$23,000,000.00	$3,132,738.00	$3,772,351.00	$6,905,089.00	$19,867,262.00

Pension Fund

At March 31st, 1951, the number of employees in the Pension Plan was 1,091 consisting of 517 males and 574 females. This is an increase of 83 over the same date last year. There are 137 former employees or widows of former employees in receipt of pensions and the average monthly pension has increased to $70.70 as a result of the amendments which affected all pensions granted since April 1st, 1947. The total amount paid out in pensions during the year was $128,074.17 but this included a sum of $30,902.34 representing payments to pensioners to cover the retroactive increases authorized by the amendments to the Plan.

Par value of Pension Fund investments is $3,430,000.00 broken down as follows:-

Government of Canada Bonds	- $ 960,000.00	28%
Bonds of various Provinces	- 1,391,000.00	41%
Municipal Bonds	- 1,079,000.00	31%
	$3,430,000.00	100%

Staff

The number of regular employees at the end of March 1951 was 1,413, consisting of 588 males and 825 females. This is an increase of 154 or 12% over a year ago. Salaries, including cost of living bonus, paid to these employees during the year amounted to $2,978,088.25, an average of $2,107.63 per employee compared with $2,506,485.64 and an average of $1,990.85 last year.

Agents' salaries amounted to $317,842.68 and commissions paid to other Agents were $74,058.10. Total salaries and commissions, therefore, paid by the Department during the year were $3,369,989.03 or 41.5% of our operating revenue.

Donations by employees to Red Cross and Community Chest funds by deductions from payrolls amounted to $4,433.00. Contributors to Blue Cross and Medical Services number 650 and 460 respectively and these amounts are also covered by payroll deductions.

Purchases by employees of the fifth series Canada Savings Bonds through payroll deductions amounted to $88,700.00, an increase of $19,000.00 over the previous issue.

It is a privilege and pleasure once again to pay tribute to the entire staff for their loyalty and splendid service and to whom can be attributed in large measure the successful results of the year's operations.

Respectfully submitted,

A. Higgins
Deputy Minister of Telephones

COMMERCIAL

CONDENSED STATION REPORT - Year ended March 31st, 1951.

Exchange Subscribers' Stations	60,497
Exchange Subscribers' Extensions	8,377
Exchange P.A.X. Sub-Stations	1,596
Exchange P.B.X. Sub-Stations	5,666
Pay Stations	865
Toll Stations	216
Private A.B. Line Stations	139
A.G.T. "X" Line Stations	1,385
	78,741

Number of Rural Mutual Telephone Company and other Private Owned Party Line Stations	24,794

STATEMENT OF EXCHANGE & TOLL OFFICES IN THE PROVINCE

Year ended March 31st, 1951.

Number of Alberta Government Telephones Exchanges -	328		
Number of Alberta Government Telephones Toll Offices		-	216
Number of Alberta Government Telephones Exchange Stns		-	77,140
Number of Alberta Government Telephones "X" Line Stns		-	1,385
			78,741
Number of Rural Mutual Telephone Companies -	807		
Number of Rural Mutual Telephone Co., Stations		-	24,144
Number of other Private Owned Party Lines -	26		
Number of other Private Owned Party Line Stns		-	650
Number of Connecting Exchanges, Edmonton & Banff -	2		
Number of Connecting Exchange Stations		-	40,287
Total stations in the Province			143,822

PLANT

TOLL WORK UNDERTAKEN AND COMPLETED

April 1st, 1950 to March 31st, 1951.

Constructed	
Toll Pole Miles	132.25
Wire Miles	536
Rebuilt	
Toll Pole Miles	48

EXCHANGES REBUILT

Completely Rebuilt	9
Partially Rebuilt	15

NEW EQUIPMENT INSTALLED DURING YEAR

April 1st, 1950 to March 31st, 1951.

Automatic	4,900 lines
Common Battery	180 "
Magneto	1,410 "
Remote Control	Nil

STATISTICS

Number of Automatic Exchanges	11
" " Common Battery Exchanges	9
" " Magneto Exchanges	296
" " Remote Control Exchanges	12
Miles of Poles	
Exchange	736
Toll	5,212
Total	5,948
Miles of Wire	
In Underground Cable	97,051
In Aerial Cable	79,774
Open Wire	65,121
Total	241,946 Miles

TRAFFIC

General Statistics for Year Ending March 31, 1951

Traffic Payroll Offices	42
Offices Giving Continuous Service	147
Toll Centers	78
Tributary Offices	481
Number of Cities, Towns & Hamlets in Alberta having Telephone Connection	1,110
Number of "Out" Tickets Completed and Billed	6,258,353
Offices using Teletype for Departmental Business	3
Number of Physical L.D. Lines	426
" " Phantom " " "	95
" " Part-Phantom & Part-Physical L.D. Lines	30
" " Carrier L.D. Lines	120
" " Morse " " "	12
Physical L.D. Circuit Mileage	23,021
Phantom " " " "	4,199.4
Carrier " " " "	20,861.1
Part-Physical and Part-Phantom Circuit Mileage	1,775
Telegraph & Teletype Circuit Mileage	3,485.9

Circuits operated by the Alberta Government Telephones leased from other Companies:-

Physical Long Distance Lines	6
Carrier Long Distance Lines	26
Physical Long Distance Circuit Mileage	1,282.4
Carrier Long Distance Circuit Mileage	5,816.3

Circuits owned by the Alberta Government Telephones leased to other Companies:-

Physical Long Distance Lines	7
Phantom Long Distance Lines	1
Carrier Long Distance Lines	1
Telegraph & Teletype Circuits	24
Physical Long Distance Circuit Mileage	223
Phantom Long Distance Circuit Mileage	25.8
Carrier Long Distance Circuit Mileage	25.8
Telegraph & Teletype Circuit Mileage	6,497.3

GOVERNMENT OF THE PROVINCE OF ALBERTA

OFFICE OF THE PROVINCIAL AUDITOR

Edmonton, July 23, 1951.

Honourable Gordon E. Taylor,
Minister of Railways & Telephones,
BUILDINGS.

I have audited the books and records of the Alberta Government Telephones for the year ended March 31, 1951. The following statements are submitted for your information:

Statement	Particulars
A.	Balance Sheet
B.	Condensed Statement of Income
C.	Surplus Account
D.	Depreciation and Renewal Reserve
	Alberta Government Telephones Pension and Death Benefit Fund:
E.	Balance Sheet
F.	Statement of Operations

Operations for the year resulted in a net income of $2,758,806.86 after providing $1,023,827.21 for debt charges, $960,000.00 for depreciation and renewal reserve and $58,198.97 being the net operating costs in respect of radio station C.K.U.A. The net income was carried to surplus account from which was appropriated $3,757,882.39 for acquirement of capital assets leaving a net balance in surplus account of $1,254,617.60 as at March 31, 1951.

Pension and death benefit fund assets are subject to the comments contained in the certificate attached to the Pension and Death Benefit Fund Balance Sheet.

The Alberta Government Telephones have the following estimated contingent liabilities which were not reflected in the Balance Sheet as at March 31, 1951.

In respect of uncompleted building contracts	$ 497,000.00
In respect of commitments for purchase of equipment for future delivery	2,950,000.00

Subject to the foregoing remarks, I certify that, in my opinion, the above Balance Sheet is properly drawn up so as to show the true financial position of the Alberta Government Telephones as at March 31, 1951, according to information and explanations given to me and as shown by the books of the Alberta Government Telephones, and the accompanying Condensed Statement of Income correctly sets forth the results of operations for the year ended at that date.

C.K. Huckvale, C.A.,
Provincial Auditor

GOVERNMENT OF THE PROVINCE OF ALBERTA

ALBERTA GOVERNMENT TELEPHONES

BALANCE SHEET AS AT MARCH 31, 1951

ASSETS

Capital:		
Plant in service:		
Real estate	$ 2,514,526.15	
Equipment	11,241,745.70	
Exchange lines	6,700,019.97	
Toll lines	9,130,081.30	
		$ 29,586,373.12
Other telephone equipment and supplies:		
Supplies	$ 834,658.76	
Tools, vehicles and sundry equipment	277,961.21	
Office furniture and fixtures	209,965.37	
		1,322,585.34
		$ 30,908,958.46
Current:		
Cash on hand and in bank	$ 881,101.53	
Accounts receivable, less reserve	662,933.56	
Unbilled custom work and sundry debtors	29,488.61	
Prepaid expenses	65,515.46	
		1,639,039.16
Reserve funds:		
Depreciation and renewal reserve fund assets, Statement D	$ 1,020,963.60	
Pension and death benefit fund, Statement E	3,463,430.32	
		4,484,393.92
Trust funds:		
Cash on hand	$ 353.00	
Government of Canada bonds	88,889.31	
		89,242.31
		$37,121,633.85

LIABILITIES

Capital:		
Advance from Provincial Treasurer		$ 19,867,262.34
Capital surplus arising from capital assets acquired from revenue funds		5,369,857.28
Depreciation and renewal reserve fund invested in plant		5,671,838.84
		$ 30,908,958.46
Current:		
Accounts payable	$ 109,452.98	
Accrued interest, not due	201,138.00	
Unearned revenue	73,830.58	
		384,421.56
Reserves:		
Depreciation and renewal reserve	$ 1,020,963.60	
Pension and death benefit fund reserve	3,463,430.32	
		4,484,393.92
Surplus as per Statement C		1,254,617.60
Trust:		
Employees' savings bonds	$ 52,944.09	
Government of Canada bond instalments payable	36,298.22	
		89,242.31
		$ 37,121,633.85

This is the Balance Sheet referred to in my report of July 23, 1951 addressed to the Minister of Railways and Telephones.

C.K. Huckvale, C.A.,
Provincial Auditor

GOVERNMENT OF THE PROVINCE OF ALBERTA

ALBERTA GOVERNMENT TELEPHONES

CONDENSED STATEMENT OF INCOME

FOR THE YEAR ENDED MARCH 31, 1951.

Telephone operating revenue:			
Exchange earnings			$ 3,065,790.95
Connecting companies fees			165,833.78
Toll earnings		$ 5,057,041.74	
Less: Toll interchange		578,797.45	
			4,478,244.29
			$ 7,709,869.02
Other revenue:			
Leased line rentals		$ 136,638.43	
Directory		112,087.30	
Installations, moves, etc.		100,726.42	
Miscellaneous		67,125.00	
			416,577.15
Gross telephone earnings			$ 8,126,446.17
Telephone operating expenses:			
Operations	$ 2,574,760.44		
Maintenance	684,051.66		
		$ 3,258,812.10	
Provision for depreciation and renewal		960,000.00	
Debt charges:			
Interest on debt	$ 620,624.43		
Debt retirement	327,600.62		
Commission and exchange	75,602.16		
		1,023,827.21	
Pension fund contributions		125,000.00	
			5,367,639.31
Net operating income for the year ended March 31, 1951			$ 2,758,806.86

GOVERNMENT OF THE PROVINCE OF ALBERTA

ALBERTA GOVERNMENT TELEPHONES

SURPLUS ACCOUNT

AS AT MARCH 31, 1951.

Balance, April, 1950	$ 2,253,693.13
Add:	
Net operating income for the year ended March 31, 1951	2,758,806.86
	$ 5,012,499.99
Deduct:	
Appropriation for acquirement of capital assets	3,757,882.39
Surplus as at March 31, 1951	$ 1,254,617.60

Statement D.

GOVERNMENT OF THE PROVINCE OF ALBERTA

ALBERTA GOVERNMENT TELEPHONES

DEPRECIATION AND RENEWAL RESERVE

FOR THE YEAR ENDED MARCH 31, 1951

Reserve as at April 1, 1950		$ 6,311,339.84
Add:		
Provision during the year	$ 960,000.00	
Interest earnings	28,200.54	
		988,200.54
		$ 7,299,540.38
Deduct: Charges to reserve:		
Plant displaced, net	$ 309,491.53	
Cost of repairs, rearrangements, etc. on reconstruction estimates	114,033.76	
Cost of removing plant	71,017.63	
Supervision, engineering and other associated costs chargeable to reserve	46,452.80	
Obsolete, worthless equipment and supplies written off	22,604.10	
Reels not returned to suppliers	15,729.96	
Loss on sale of lines	10,557.28	
Sundry equipment replaced, net	9,007.88	
Cost of extraordinary repairs	8,183.24	
Inventory adjustment	3,380.50	
Other charges to reserve	3,040.26	
		606,737.94
		$ 6,692,802.44
Represented by:		
Fund assets:		
Cash in bank	98,144.06	
Investments:		
Government of Canada bonds, par value	920,000.00	
Accrued interest	2,819.54	
		$ 1,020,963.60
Plant investment		5,671,838.84
		$ 6,692,802.44

GOVERNMENT OF THE PROVINCE OF ALBERTA

ALBERTA GOVERNMENT TELEPHONES

PENSION AND DEATH BENEFIT FUND

BALANCE SHEET AS AT MARCH 31, 1951

ASSETS

Cash on hand and in bank		$ 3,980.80
Investments at book value		3,430,000.00
Accrued interest		29,449.52
		$3,463,430.32

LIABILITIES

Pension and death benefit fund reserve:		
Employees' contributions	$ 728,245.03	
Alberta Government Telephones contributions	2,707,606.26	
		$3,435,851.29
Undistributed earnings		27,579.03
		$3,463,430.32

Edmonton, Alberta,
July 23, 1951.

I have audited the books and records of the Alberta Government Telephones Pension and Death Benefit Fund for the year ended March 31, 1951.

Investments as at March 31, 1951 are summarized hereunder:

Bonds and debentures	Par Value
Government of Canada	$ 960,000.00
Provincial direct and guaranteed	1,391,000.00
Municipal	879,000.00
School districts	200,000.00
	$ 3,430,000.00

The approximate market value of the above securities amounted to $3,183,000.00 at July 20, 1951.

Pension benefits payable by the Fund were increased during the year retroactive to April 1, 1947, and the basis of valuation reduced to a 3% capitalization rate. An actuarial estimate as at December 31, 1948 indicates that an additional amount of approximately $2,599,000.00 together with interest thereon from that date is required to meet all future benefits in full.

I certify that, in my opinion, the above Balance Sheet is properly drawn up so as to show the true financial position of the Alberta Government Telephones Pension and Death Benefit Fund as at March 31, 1951, according to information and explanations given to me and as shown by the books of the Fund, and the accompanying Statement of Operations correctly summarizes the transactions for the year ended at that date.

C.K. Huckvale, C.A.,
Provincial Auditor

Statement F.

GOVERNMENT OF THE PROVINCE OF ALBERTA

ALBERTA GOVERNMENT TELEPHONES

PENSION AND DEATH BENEFIT FUND

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 1951

	Employees' Account	Alberta Government Telephones Account	Total
Pension fund as at April 1, 1950	$ 668,436.13	$ 2,588,054.22	$ 3,256,490.35
Add: Contributions and earnings for the year:			
Contributions	98,242.73	125,000.00	223,242.73
Earnings	29,433.75	85,476.95	114,910.70
Transfers in respect of employees retiring on pension	38,379.77	38,379.77	
	$ 757,732.84	$ 2,836,910.94	$ 3,594,643.78
Deduct:			
Withdrawals	$ 29,487.81		$ 29,487.81
Pension payments		$ 128,089.77	128,089.77
Transfers to Public Service Pension Fund, net		1,214.91	1,214.91
	$ 29,487.81	$ 129,304.68	$ 158,792.49
Pension fund as at March 31, 1951	$ 728,245.03	$ 2,707,606.26	$ 3,435,851.29

Statement I.

GOVERNMENT OF THE PROVINCE OF ALBERTA

ALBERTA GOVERNMENT TELEPHONES

PENSION AND DEATH BENEFIT FUND

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 1951

	Employees' Account	Alberta Government Telephones Account	Total
Pension fund as at April 1, 1950	$ 886,436.15	$ 2,368,084.22	$ 3,254,520.37
Add: Contributions and earnings for the year:			
Contributions	90,242.13	125,000.00	215,242.13
Earnings	24,453.76	85,476.95	109,930.71
Transfers in respect of employees retiring on pension	28,372.77	58,578.77	86,951.54
	$ 767,122.84	$ 2,436,910.94	$ 3,204,033.78
Deduct:			
Withdrawals	$ 29,457.81		$ 29,457.81
Pension payments		$ 128,089.77	128,089.77
Transfers to Public Service Pension Fund, net		1,116.91	1,116.91
	$ 29,457.81	$ 129,206.68	$ 158,664.49
Pension fund as at March 31, 1951	$ 738,665.03	$ 2,307,704.26	$ 3,045,369.29

ALBERTA GOVERNMENT TELEPHONES

a.

ALBERTA

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